



**HONG KONG FEDERATION OF
HANDICAPPED YOUTH**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021**



李湯陳會計師事務所

LI, TANG, CHEN & CO.

Certified Public Accountants (Practising)

Hong Kong



**REVIEW REPORT
TO THE EXECUTIVE COMMITTEE OF HONG KONG FEDERATION OF HANDICAPPED
YOUTH (“THE FEDERATION”)**

We have audited the financial statements of the Federation for the year ended 31 March 2021 and have issued an unqualified auditors’ report thereon dated 13 SEP 2021.

We conducted our review of the attached Annual Financial Report on pages 2 to 7 of the Federation for the year ended 31 March 2021 in accordance with Practice Note 851 “Review of the Annual Financial Reports of Non-governmental Organisations” issued by the Hong Kong Institute of Certified Public Accountants. The review includes considering the procedures and records relevant to the preparation of the Annual Financial Report and performing procedures to satisfy ourselves that the Annual Financial Report has been properly prepared from the books and records of the Federation, on which the above audited financial statements of the Federation are based.

REVIEW CONCLUSIONS

On the basis of the results of our review and having regard to the audit procedures performed by us in relation to the audit of the financial statements of the Federation for the year ended 31 March 2021:

- a. in our opinion the Annual Financial Report has been properly prepared from the books and records of the Federation; and
- b. no matters have come to our attention during the course of our review, which cause us to believe that the Federation has not:
 - i. properly accounted for the receipt of Lump Sum Grant, Provident Fund and other social welfare subventions and expenditure in respect of Funding and Services Agreement activities and support services;
 - ii. kept separate Operating Income and Expenditure Account for each subvented service unit as required by the Lump Sum Grant Manual (LSG Manual) published by the Social Welfare Department of the Government of the HKSAR;
 - iii. prepared the Annual Financial Report in accordance with the format and requirements set out in the LSG Manual; and
 - iv. employed the staff quoted in the Provident Fund arrangements during the year ended 31 March 2021.

This report is intended for filing with the Social Welfare Department of the Government of the HKSAR and should not be used for any other purpose.

Li Tang Chen & Co.

Li, Tang, Chen & Co.
Certified Public Accountants (Practising)

Hong Kong, 13 SEP 2021
RCCM/MACH

HONG KONG FEDERATION OF HANDICAPPED YOUTH
ANNUAL FINANCIAL REPORT
FOR THE PERIOD FROM 1 APRIL 2020 TO 31 MARCH 2021

	<u>Note</u>	<u>2021</u> HK\$	<u>2020</u> HK\$
INCOME			
Lump Sum Grant		5,880,357	5,317,614
a) Lump Sum Grant (excluding Provident Fund)	1b	5,581,373	5,049,514
b) Provident fund	1c	298,984	268,100
Fee income	2	1,900	300
Rent and rates	4	236,693	236,433
Other income	5	535,405	940,421
Interest received		24	1,084
TOTAL INCOME		6,654,379	6,495,852
EXPENDITURE			
Personal emoluments	6	4,505,457	4,107,787
a) Salaries	1b	4,242,645	3,848,210
b) Provident Fund	1c	262,812	259,577
Other charges	7	1,181,003	1,435,763
Rent and rates		202,462	212,699
TOTAL EXPENDITURE		5,888,922	5,756,249
SURPLUS FOR THE YEAR	8	765,457	739,603

The Annual Financial Report from pages 2 to 7 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.



Chairperson

Date: 13 SEP 2021



Honorary Treasurer

Date: 13 SEP 2021



Executive Director

Date: 13 SEP 2021

HONG KONG FEDERATION OF HANDICAPPED YOUTH

NOTES ON THE ANNUAL FINANCIAL REPORT

1. LUMP SUM GRANT

a) Basis of preparation

The Annual Financial Report (AFR) is prepared in respect of all Funding and Service Agreement (FSA) activities (including support services to FSA activities) funded by the Social Welfare Department under the Lump Sum Grant Subvention System. AFR is prepared on cash basis, that is, income is recognised upon receipt of cash and expenditure is recognised when expenses are paid. Non-cash items such as depreciation, provisions and accruals have not been included in the AFR.

b) Lump Sum Grant (excluding Provident Fund):

This represents Lump Sum Grant (LSG) (excluding Provident Fund) received for the year.

c) Provident Fund:

This is Provident Fund received and contributed during the year.

Snapshot staff are defined as those staff occupying recognised or holding against subvented posts as at 1 April, 2000.

6.8% and other posts represent those staff that are employed after 1 April, 2000.

The Provident Fund received and contributed for staff under the Central Items have been shown under note 3.

Details are analysed below:

<u>Provident Fund Contribution</u>	<u>Snapshot Staff</u> HK\$	<u>6.8% and other Posts</u> HK\$	<u>Total</u> HK\$
Subvention Received	-	298,984	298,984
Provident Fund Contributions paid during the year	-	(262,812)	(262,812)
Surplus for the year	-	36,712	36,712
Add: Surplus b/f	-	458,915	458,915
Surplus c/f	-	495,087	495,087

2. FEE INCOME

This represents social welfare fee income received for the year in respect of the fees and charges recognised for the purpose of subvention as set out in the LSG Manual.

HONG KONG FEDERATION OF HANDICAPPED YOUTH

NOTES ON THE ANNUAL FINANCIAL REPORT

3. CENTRAL ITEMS

These are subvented service activities which are not included in LSG and are subject to their own procedures as set out in other SWD's papers and correspondence with the NGOs. The Provident Fund received and contributed for staff under the Central Items have been separately included as part of the income and expenditure of the relevant items (paragraph 3.14 of the LSG Manual (October 2016)). The income and expenditure of each of the Central Items are as follows:

	<u>2021</u> HK\$	<u>2020</u> HK\$
a) Income		
- Financial Incentive Scheme for Mentors of Employees with Disabilities	-	-
	=====	=====
b) Others		
- Financial Incentive Scheme for Mentors of Employees with Disabilities	-	-
	=====	=====

4. RENT AND RATES

This represents the amount paid by SWD in respect of premises recognised by SWD. Expenditures on rent and rates in respect of premises not recognised by SWD have not been included in AFR. Please refer to Appendix 2.

HONG KONG FEDERATION OF HANDICAPPED YOUTH

NOTES ON THE ANNUAL FINANCIAL REPORT

5. OTHER INCOME (CONT'D)

This includes programme income and all income other than recognised social welfare fee income received during the year. Non-SWD subventions and donations received have not been included as Other Income in AFR. In this respect, donations have been included if it is used to finance expenditure reflected in the AFR.

The breakdown on Other Income is as follows:

	<u>2021</u> HK\$	<u>2020</u> HK\$
Other Income		
a) Fees and charges for services incidental to the operation of subvented services	-	-
b) Subsidy from Central Items (CI) – After School Care Programme (ASCP) / Enhanced ASCP –Fee Waiving Subsidy Scheme (FWSS)*	-	-
c) Others	<u>535,405</u>	<u>940,421</u>
Sub-Total	<u>535,405</u>	<u>940,421</u>
Less: Utilised allocation under CI - ASCP / Enhanced ASCP - FWSS which forms as part of Other Income*	<u>-</u>	<u>-</u>
Total	<u><u>535,405</u></u>	<u><u>940,421</u></u>

**For those programmes which are regarded as FSA-related activities only*

6. PERSONAL EMOLUMENTS

Personal Emoluments include salary, provident fund, salary-related allowances.

The analysis on number of posts with annual Personal Emoluments over HK\$700,000 each paid under LSG is appended below:

<u>Analysis of personal emoluments paid under LSG</u>	<u>No. of posts</u>	<u>HK\$</u>
HK\$700,001 per annum or above	<u>Nil</u>	<u>Nil</u>

HONG KONG FEDERATION OF HANDICAPPED YOUTH
NOTES ON THE ANNUAL FINANCIAL REPORT

7. OTHER CHARGES

The breakdown on Other Charges is as follows:

	<u>2021</u> HK\$	<u>2020</u> HK\$
Other Charges		
a) Utilities	24,852	56,690
b) Food	-	-
c) Administrative expenses	248,682	222,270
d) Stores and equipment	117,793	62,608
e) Repair and maintenance	26,142	31,548
f) Special allowances	-	-
g) Programme expenses	661,553	941,871
h) Transportation and travelling	54,422	78,532
i) Insurance	40,628	31,974
j) Miscellaneous	<u>6,931</u>	<u>10,270</u>
Sub-Total	1,181,003	1,435,763
	-----	-----
<u>Less:</u> Utilised allocation under CI - ASCP / Enhanced ASCP - FWSS* which forms as part of Other Income to fund the operating expenses of FSA-related activities	<u>-</u>	<u>-</u>
Total	<u><u>1,181,003</u></u>	<u><u>1,435,763</u></u>

**For those programmes which are regarded as FSA-related activities only*

HONG KONG FEDERATION OF HANDICAPPED YOUTH

NOTES ON THE ANNUAL FINANCIAL REPORT

8. ANALYSIS OF LUMP SUM GRANT RESERVE AND BALANCES OF OTHER SWD SUBVENTIONS

	Lump Sum Grant	Rent and Rates	Central Items	Total
	HK\$	HK\$	Mentor HK\$	
INCOME				
Lump Sum Grant	5,880,357	-	-	5,880,357
Fee Income	1,900	-	-	1,900
Other Income (FSA)	535,405	-	-	535,405
Interest Received (Note 1)	24	-	-	24
Rent and Rates	-	236,693	-	236,693
Central Items	-	-	-	-
Total Income (a)	6,417,686	236,693	-	6,654,379
EXPENDITURE				
Personal Emoluments	(4,505,457)	-	-	(4,505,457)
Other Charges	(1,181,003)	-	-	(1,181,003)
Rent and Rates	-	(202,462)	-	(202,462)
Central items	-	-	-	-
Total Expenditure (b)	(5,686,460)	(202,462)	-	(5,888,922)
Surplus/(Deficit) for the year (a) – (b)	731,226	34,231	-	765,457
Less: Surplus of Provident Fund	36,172	-	-	36,172
	695,054	34,231	-	729,285
Surplus/(Deficit) b/f (Note 2)	1,282,362	(132,992)	61,250	1,210,620
:Less: Refund Rent & Rates to Government: 2019-20 rent & rate surplus refunded in 2020-21	-	(23,734)	-	(23,734)
Revised Surplus/(Deficit) b/f	1,282,362	(156,726)	61,250	1,186,886
Surplus/(Deficit) c/f (Note 4)	1,977,416	(122,495)	61,250	1,916,171

Notes:

- 1) All the interest on LSG and PF reserves, rent and rates, central items, Special One-off Grant is included as one item under LSG; and the item is considered as part of LSG reserve.
- 2) Accumulated balance of Lump Sum Grant Surplus b/f from previous years (including holding account) and all interest received in previous years are included in the surplus b/f under LSG.
- 3) Amount of LSG Reserve used to cover the salary adjustment for Programme Assistants, care Assistants, Dementia Supplement and Infirmary Care Supplement, if any, as per Schedule of Central Items.
- 4) The level of LSG cumulative reserve (i.e. S), less LSG Reserve kept in the holding account, will be capped at 25% of the NGO's operating expenditure (excluding PF expenditure) for the year.

SCHEDULE FOR CENTRAL ITEMS
ANALYSIS OF SUBVENTION AND EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2020 TO 31 MARCH 2021

AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH

Unit Code and Name (Note 7)	Subvention element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3)	Deficit for the Year			Refund to Government (f)	Adjustment (Note 9) (g)	Surplus b/f (Note 5) (e)	Surplus c/f (Note 6) (h) = (e) + (a) - (d) - (f) +/- (g) HK\$
					Deficit (Note 3) (b) HK\$	Deficit transferred to LSG (Note 4) (c) HK\$	Adjusted Deficit (d) = (b) - (c) HK\$				
mmnn - xxxxxxxxxxxxxx	Dementia Supplement for Elderly with Disabilities	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$			HK\$	N.A.
mmnn - xxxxxxxxxxxxxx	Infirmary Care Supplement for the Aged Blind Persons									N.A.	N.A.
mmnn - xxxxxxxxxxxxxx	Dementia Supplement for Residential Elderly Services									N.A.	N.A.
mmnn - xxxxxxxxxxxxxx	Infirmary Care Supplement for Residential Elderly Services									N.A.	N.A.
mmnn - xxxxxxxxxxxxxx	Foster Care Allowance / Emergency Foster Care Allowance									N.A.	N.A.
mmnn - xxxxxxxxxxxxxx	After School Care Programme - Fee Waiving Subsidy Scheme									N.A.	N.A.
mmnn - xxxxxxxxxxxxxx	Temporary Financial Aid									N.A.	N.A.
mmnn - xxxxxxxxxxxxxx	Emergency Fund									N.A.	N.A.
mmnn - xxxxxxxxxxxxxx	Time-defined Subsidy Scheme for Extended Hours Service Users									N.A.	N.A.
mmnn - xxxxxxxxxxxxxx	Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services									N.A.	N.A.
mmnn - xxxxxxxxxxxxxx	Short-term Rental Assistance and Enhanced Employment Service									N.A.	N.A.
mmnn - xxxxxxxxxxxxxx	Overnight On-site-on-call Allowance									N.A.	N.A.
mmnn - xxxxxxxxxxxxxx	Neighbourhood Support Child Care Project (NSCCP)- Contract Subsidy									N.A.	N.A.

SCHEDULE FOR CENTRAL ITEMS

ANALYSIS OF SUBVENTION AND EXPENDITURE

FOR THE PERIOD FROM 1 APRIL 2020 TO 31 MARCH 2021

AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH

Unit Code and Name (Note 7)	Subvention element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3)	Deficit for the Year			Surplus b/f (Note 5)	Refund to Government (f)	Adjustment (Note 9) (g)	Surplus c/f (Note 6) (h) = (e) + (a) - (d) - (f) +/- (g) HK\$
					Deficit (Note 3) (b) HK\$	Deficit transferred to LSG (Note 4) (c) HK\$	Adjusted Deficit (d) = (b) - (c) HK\$				
nnnn - xxxxxxxxxxxxxxxx	NSCCP - Subsidy for Fee Reduction/Waiving	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$			HK\$
nnnn - xxxxxxxxxxxxxxxx	NSCCP - Subsidy for Incentive Payment				N.A.						
nnnn - xxxxxxxxxxxxxxxx	NSCCP - Rent and Rates				N.A.						
nnnn - xxxxxxxxxxxxxxxx	Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes				N.A.						
nnnn - xxxxxxxxxxxxxxxx	Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services				N.A.						
nnnn - xxxxxxxxxxxxxxxx	Financial Incentive Scheme for Mentors of Employees with Disabilities				N.A.						
nnnn - xxxxxxxxxxxxxxxx	Cash Subsidy for Integrated Support Service for Persons with Severe Physical										
nnnn - xxxxxxxxxxxxxxxx	Time-defined Subsidy Scheme for Occasional Child Care Service										
nnnn - xxxxxxxxxxxxxxxx	Enhanced After School Care Programme - Fee Waiving Subsidy Scheme										
nnnn - xxxxxxxxxxxxxxxx	Navigation Scheme for Young Persons in Care Services - Operating Expenses										
nnnn - xxxxxxxxxxxxxxxx	Navigation Scheme for Young Persons in Care Services - Training Cost										
nnnn - xxxxxxxxxxxxxxxx	Pilot Scheme on Multi-disciplinary Outreaching Support Teams for the Elderly (MOSTE)										
								61,250.00			61,250.00

SCHEDULE FOR CENTRAL ITEMS

ANALYSIS OF SUBVENTION AND EXPENDITURE

FOR THE PERIOD FROM 1 APRIL 2020 TO 31 MARCH 2021

AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH

Unit Code and Name (Note 7)	Subvention element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3)	Deficit for the Year			Refund to Government	Adjustment (Note 9)	Surplus b/f (Note 5)	Surplus c/f (Note 6) (h) = (e) + (a) - (d) - (f) +/- (g) HK\$
					Deficit (Note 3)	Deficit transferred to LSG (Note 4)	Adjusted Deficit (d) = (b) - (c) HK\$				
mnnn - xxxxxxxxxxxxxxxx	MOSTE - Annual Rent and Rates	HK\$	HK\$	(a) HK\$	(b) HK\$	(c) HK\$	(d) = (b) - (c) HK\$	(f)	(g)	(e) HK\$	
mnnn - xxxxxxxxxxxxxxxx	Project on Child Care Training for Grandparents - Contact Subsidy					N.A.					
mnnn - xxxxxxxxxxxxxxxx	Project on Child Care Training for Grandparents Subsidy for Fee Reduction/Waiving					N.A.					
mnnn - xxxxxxxxxxxxxxxx	Special Grant on Manpower Support for Residential and Home-based Care Service Units in respect of the Severe Respiratory Disease associated with a Novel Infectious Agent					N.A.					
mnnn - xxxxxxxxxxxxxxxx	Special Allowance for Staff of Subvented Residential Care service Units in respect of COVID-19					N.A.					
mnnn - xxxxxxxxxxxxxxxx	Subsidy for Enhanced Support for Ethnic Minority Children in Special Care Centre					N.A.					
mnnn - xxxxxxxxxxxxxxxx	Subsidy for Enhanced Support for Ethnic Minority Children in Early Education and Training Centres					N.A.					
mnnn - xxxxxxxxxxxxxxxx	Ethnic Minority District Ambassador Posts - Central Item (A) Salary and Mandatory Provident Fund					N.A.					
mnnn - xxxxxxxxxxxxxxxx	Ethnic Minority District Ambassador Posts - Central Item (B) Other Charges					N.A.					
mnnn - xxxxxxxxxxxxxxxx	Time-limited programme on Enhancing Infection Control and Ventilation of Residential Care Homes for the Elderly and Residential Care Homes for Persons with Disabilities - On-site Ventilation Assessment (Note 10)					N.A.					
Total		-	-	-	-	-	-	-	-	61,250.00	61,250.00

**SCHEDULE FOR CENTRAL ITEMS
ANALYSIS OF SUBVENTION AND EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2020 TO 31 MARCH 2021
AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH**

Note:

1. The figures for the whole financial year are extracted from the payroll for March (Final) or remittance advice(s) issued by the Treasury or allocation letter(s) issued by Social Welfare Department of the financial year.
2. Actual expenditure represents the total expenditure incurred including provident fund for the respective services after netting off programme income, if any.
3. Surplus/Deficit for each element represents the difference between subvention released and actual expenditure
4. Deficit i.r.o. the following central items arising from salary adjustment are transferred to the Lump Sum Grant Reserve as stated in SWD's letter ref (5) in SWD/S/104/2 Point 18 dated 4 March 2020
 - i) Dementia Supplement for Elderly with Disabilities
 - ii) Infirmary Care Supplement for the Aged Blind Persons
 - iii) Dementia Supplement for Residential Elderly Services
 - iv) Infirmary Care Supplement for Residential Elderly Services
5. "Surplus brought forward (b/f)" means surplus, if any arising from operations in previous year.
6. "Surplus carried forward (c/f)" means surplus brought forward less refund to Government plus surplus, if any, arising from operations in current year.
7. Unit code and name / remittance advice no. are extracted from the payroll from SWD and remittance advice from the Treasury respectively
8. The central items as listed above may not be exhaustive and any relevant details of central items released and/or expended during the year, where appropriate, should also be included.
9. For ASCP/Enhanced ASCP, the adjustment includes the amount of expenditure overstated / (understated) in previous year(s) after taking into account the actual claw-back amount(s) per SWD's allocation letter(s), if any.
10. For NGOs with Visiting Medical Practitioner Service Team which arrange delivery of the service under the Programme to all private and self-financing RCHEs, RCHDs as well as contract homes operated by private operators only.

SCHEDULE FOR RENT AND RATES**ANALYSIS OF SUBVENTION AND EXPENDITURE****FOR THE PERIOD FROM 1 APRIL 2020 TO 31 MARCH 2021****AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH**

Unit Code and Name	Subvented Element	Subvention Released (Note 1)	Actual Expenditure	Surplus (Note 2)	Deficit (Note 2)
		HK\$	HK\$	HK\$	HK\$
Unit Code: 2886 Name: Jockey Club Activity Centre	Rent (Note 3)	218,724	200,364	18,360	-
	Rate	17,969	2,098	15,871	-
	Total	236,693	202,462	34,231	-
	Rent (Note 3)				
	Rate				
	Total				
	Rent (Note 3)				
	Rate				
	Total				
	Grand Total	236,693	202,462	34,231	-

Notes:


1. The figures are to be extracted from the payroll for March plus subvention released in late March of the financial year. Reimbursement for rent and rates relating to previous financial years (i.e. back payments) should not be included.
2. Surplus/deficit for each element represents the difference between subvention released and accrual expenditure
3. Rent includes all kinds of rent such as PHE rental, private rental, carpark rent, management fee, building maintenance fee and Government Rent.

SCHEDULE FOR INVESTMENT**ANALYSIS OF INVESTMENT AS AT 31 MARCH 2021****AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH**

	<u>2021</u> HK\$	<u>2020</u> HK\$
LSG Reserve as at 31 March	<u>1,977,416</u>	<u>1,282,362</u>
Represented by:		
Investments		
a. HKD Bank Account Balances	<u>1,977,416</u>	<u>1,282,362</u>

Note: The investments should be reported at historical cost.

Confirmed by:

Signature: 
 Chairperson: Ng Ka Wing

Signature: 
 Executive Director: Lau Ka Lun

Date: 13 SEP 2021

Date: 13 SEP 2021

Claim for 2020-21 Subventions for Provident Fund - Snapshot Staff

Organisation Code and Name : 324 / Hong Kong Federation of Handicapped Youth

Name of Snapshot Staff	Reported Rank	Salary Paid for the year \$	PF Contribution Rate %	PF Contribution Paid for the year \$
1. Nil	Nil	Nil	-	-
2. Nil	Nil	Nil	-	-
3. Nil	Nil	Nil	-	-
4. Nil	Nil	Nil	-	-
5. Nil	Nil	Nil	-	-
Total Amount of PF Contribution Paid for the Year				-
Less: Subventions of PF-Snapshot Staff Received for the Year				-
Amount of Additional Subvention Applied for				-

Declaration

- I declare that all reported information is correct and that the staff as reported are employed by our Organisation solely for services funded by subventions and grants within the control of SWD
- I also agree that SWD shall have the right to recover at any time from recurrent subventions any overpaid amount.

Contact Person :

Signature of
Chairperson of HongKong Federation of
Handicapped Youth :

Name

: Lau Ka Lun

Title

: Executive Director

Name

: Ng Ka Wing

Tel No.

: 23385111

Title

: Chairperson

Date

: 13 SEP 2021

